Government of Saskatchewan

Annual Report 1982-83

The Transportation Agency of Saskatchewan

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Letter of Transmittal

To The
Honourable C. Irwin McIntosh
Lieutenant Governor
of the Province of Saskatchewan.

May It Please Your Honour,

I have the honour of submitting the annual report of the Transportation Agency of Saskatchewan for the fiscal year ending March 31, 1983.

Effective April 1, 1983, the Transportation Agency will be realigned with the Department of Highways and Transportation. I believe that this reorganization will allow the government to carry out its transportation policy-making role more efficiently and practically.

Respectfully submitted,

James Garner
Minister in Charge
The Transportation Agency of Saskatchewan

Introduction

Transportation has always been a vital factor in the social and economic development of Saskatchewan people.

The formation of the Transportation Agency of Saskatchewan reflected the recognition of the vital role which transportation continued to play in furthering the economic and social progress of Saskatchewan.

An organizational study was undertaken during the past year with the objective of consolidating many transportation-related functions that were assigned to several government departments and agencies within the Department of Highways and Transportation.

The result will be to merge the Transportation Agency with the existing Planning Branch of the Department of Highways and Transportation. This revised organization will provide more efficient and effective management of the provincial transportation system network.

The Transportation Agency duties up until the time of realignment within the Department of Highways and Transportation include achieving greater coherence and effectiveness of various provincial transportation policies and programs, and the responsibility of influencing the direction of national transportation policies to ensure that they also work in the best interests of Saskatchewan development.

Goals and Objectives

The Transportation Act provided that the Agency shall:

(a) participate in or co-ordinate programs respecting transportation services in the Province that may be specified by the minister and that are being undertaken or are to be undertaken by any department or agency of the Government of Saskatchewan;

(b) initiate research and investigation into matters relating to transportation services and facilities in the Province and into such particular matters respecting transportation as may be referred to it by the minister;

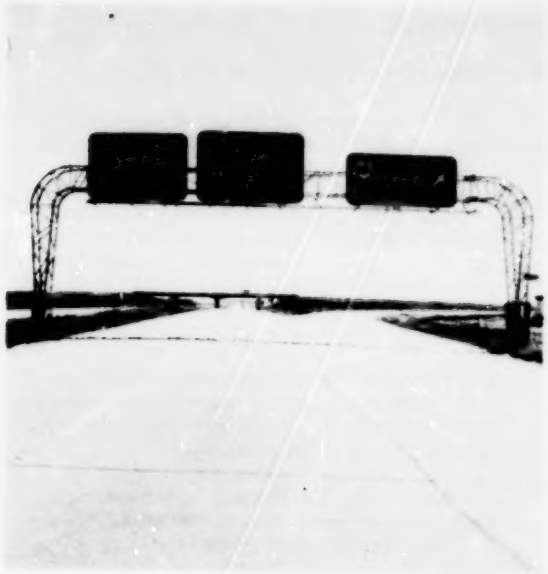
(c) consult with and provide information and technical, administrative or other assistance to persons or organizations in conducting research and investigations into matters respecting transportation in the province and in communicating the results of such research and investigations;

(d) where directed by the minister to do so, undertake such measures as the agency considers advisable to promote the provision of transportation services to persons in the Province on an equitable basis in order to enhance the economic, social and cultural opportunities of persons in rural and remote regions of the Province;

(e) collect, assimilate and publish in suitable form statistical and other information concerning matters relating to transportation in the Province;

(f) prepare and modify from time to time as circumstances require, for the consideration of the Lieutenant Governor in Council, a scheme or proposal for a comprehensive transportation system in the Province;

(g) formulate and develop proposals or schemes for the provision of transportation services for any area or areas of the Province;



(h) make recommendations to departments and agencies of the Government of Saskatchewan and to such persons and organizations as the Agency considers appropriate respecting any programs or services related to transportation in the Province.

In order to carry out these duties, the Agency has adopted the following specific objectives:

1. to develop greater coherence, strength and compatibility in transportation policy formulation and programming.

2. to provide a mechanism for effective Government decision-making in the area of transportation policy and programming; and

3. to lead related agencies in the process of developing coherent program efforts that will result in an effective transportation system for the Province.

Duties and Responsibilities

The organization and specific responsibilities of the various branches within the Transportation Agency are as follows:

A. Surface Transportation Division

This Division concerns itself with the more technical aspects of transportations system development. In this regard, the Division is responsible for:

- developing, in conjunction with implementing agencies, a sound, comprehensive strategy for capital expenditure in transportation systems which avoids overlap or gaps within a mode, and links alternative modes so that transportation needs of Saskatchewan are adequately served;
- monitoring actions of implementing agencies with a view to improving systems and eliminating conflicts and inconsistencies in approaches put forward by respective agencies;
- providing a set of development priorities in transportation which, in turn, can be used in the process of resource allocation on a broader basis;
- working closely with and providing rate and transportation cost information to firms and Government agencies involved in determining the proper location of an industrial or commercial enterprise in the Province.

B. Community Services Branch

This Branch focuses on the transportation needs of Saskatchewan communities when those needs determine the viability of communities or promote economic and social development.

- The Branch analyzes the impact of transportation services on communities and works to ensure that their maximum needs are safeguarded or if possible enhanced.
- The Branch provides a continuing monitoring function on all transportation services delivered to communities and reports on relevant issues and situations regularly.
- The Branch also works with communities in addressing their grievances with carriers through hearings or direct discussions with agencies, corporations or governments in a position to respond to their needs.

Staff Resources

The establishment of the Transportation Agency of Saskatchewan as of March 31, 1983 was sixteen (16). Establishment by branches is shown below:

Executive Administration	4
Administration	2
Surface Transportation Division	8
Community Services Branch	2
Total	16

Saskatchewan Advisory Council on Transportation

The Saskatchewan Advisory Council on Transportation was established for the purpose of providing advice and guidance to the Saskatchewan government on high priority transport issues and policies referred to it by the Minister.

During the 1982-83 fiscal year, the Council was not called for action by the Minister. In previous years the Council completed studies on the grain handling system and on rural trucking.

The member organizations and their representatives on the Council in 1982-83 were:

Dr. Harold Baker (Chairman)
University of Saskatchewan

Mr. James T. Knight
Brotherhood of Locomotive Engineers

Dr. John H. Archer (Vice-Chairman)
University of Regina

Mr. Joseph R. Ashfield
Saskatchewan Weekly Newspaper Association

Dr. Philip J. Thair
University of Saskatchewan

Mr. Boyd M. Anderson
Saskatchewan Association of Rural Municipalities

Mayor Ted Brady
Saskatchewan Urban Municipalities Association

Dr. Art Bergan
University of Saskatchewan

Mr. Don Lockwood
Saskatchewan Wheat Pool

Mr. Cal Udell
Saskatchewan Trucking Association

Mr. Charles S. Mitchell
Member-at-large

Mr. Keith Wiggins
Saskatchewan Federation of Agriculture

Mr. Lloyd Stanhope
National Farmers Union

Mr. Gerry L. Bobbitt
Saskatchewan Chamber of Commerce

Agency Expenditures for the Fiscal Year Ended March 31, 1983.

EXECUTIVE ADMINISTRATION		$ 91,981.70
Personal Services	$ 89,707.50	
Contractual	2,241.30	
Material and Supplies	32.90	
ADMINISTRATIVE SERVICES		36,594.07
Personal Services	35,048.98	
Contractual	1,482.44	
Material and Supplies	62.65	
TRANSPORTATION		412,708.75
Personal Services	312,552.98	
Contractual	98,915.88	
Material and Supplies	3,826.68	
Acquisition of Property	2,438.21	
Grants to Organizations		46,900.00
Western Transportation Advisory Council	43,570.00	
Transport 2000 Saskatchewan	3,330.00	
		$588,184.52

Agency Activities in 1982-83

Surface Transportation Division

Road Branch

1. **Overlength Vehicle Program**

The Road Branch staff negotiated further agreements with companies requesting permits to operate overlength vehicles on the four-lane divided highway system. An active monitoring program was undertaken along with further evaluation of overlength vehicles.

2. **Timber Transportation Policies**

Staff negotiated agreements involving those policies which govern the operation of overweight and over-dimension vehicles hauling raw materials in Saskatchewan.

3. **Potash Corporation Truck Haul Study**

A study was completed whereby the road costs associated with a potash truck haul from Rocanville to the United States border were calculated. Subsequent discussions resulted in an investigation of a two year experimental haul.

4. **Forestry and Recreation Road Study**

A study of the levels of maintenance and road standards for roads under the jurisdiction of the Department of Tourism and Renewable Resources was completed. The results of the study are being reviewed and considered for future policies.

5. **Grain Handling and Transportation Studies**

Staff undertook work related to estimating the impact of changes in the Crow Rate and Branchline Abandonment on the provincial road system.

6. **Equipment Testing and Evaluation**

Staff continued to work with industry in testing and evaluating new transportation and technology. Staff participated in research conducted at the national level. The Agency sponsored a seminar to familiarize industry with development in vehicle technology.

7. **Vehicle Dynamics Study**

A study of the reactions of various suspensions under dynamic loadings and their resulting effects on road surfaces was initiated by staff with the assistance of the University of Saskatchewan, Department of Engineering. The study will be completed in 1984.

8. **Vehicle Off-Tracking Study**

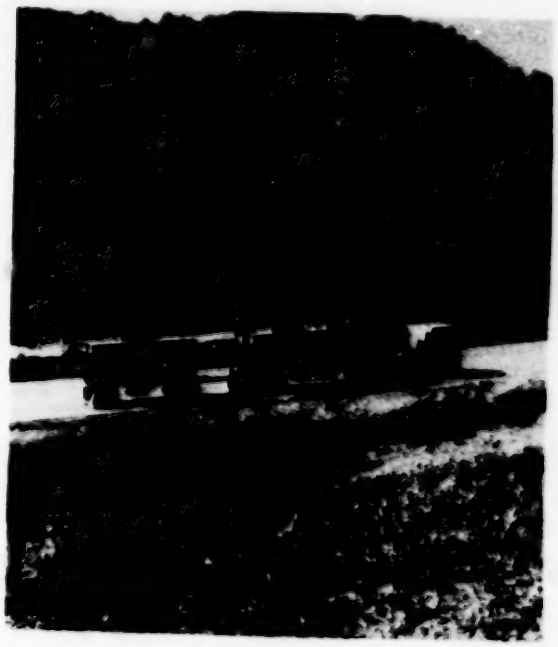
Staff and industry worked together to conduct field research determining the relative amount of off-track experienced by various configurations. A report on the evaluation was written by staff members and has been widely distributed among government and industry.

9. **Northern Road Classification**

Input was given to the new designation of northern roads. Staff corresponded with industry so that all interests were considered.

10. **Semi-Trailer Conversion Policy**

Industry and staff worked together to improve efficiencies without reducing the level of highway safety or increasing the cost of maintaining the highway system, while increasing payloads without purchasing totally new equipment. This was done by allowing carriers to convert existing trailers to "C" style trailer units, provided guidelines were conformed with.



11. **International Minerals and Chemical Study**

Road Branch staff in conjunction with the Department of Highways and Transportation conducted a study to determine the cost of operating the haul for another ten years. A new agreement was drafted based on the study. Negotiations with the company are underway.

12. **Genstar Study**

A study was undertaken subsequent to entering into discussions with Genstar Cement regarding a truck haul from Regina to the Nipawin Dam site pursuant to the Bulk Commodity Policy.

13. **Miscellaneous Projects**

Road Branch staff conducted several smaller transportation studies and prepared reports for internal Government use. Included were Cabinet and Treasury Board submissions.

Community Services Branch

A. **Branch Lines**

The 1982-83 fiscal year was an active one in the proceedings of the Canadian Transport Commission, Western Division for the hearing of railway abandonment applications. The Community Services Branch continued to be involved in the hearing process by providing technical assistance to support railway retention committees and in preparing the Government's official position on the lines under review. Officials of this Branch also attended the hearings in an advisory capacity to assist members of the Government who presented the Government's presentation.

As was reported in last year's annual report, the province was successful in delaying the hearing of branch line abandonment applications because of the uncertainty created by the Federal government's plans to change the Crow Rate. Following the June 25, 1982 release of a report on this issue prepared by Dr. Clay Gilson for the Federal government, the Canadian Transport Commission, Western Division again announced their hearing schedule for the outstanding railway abandonment applications for branch lines in Saskatchewan. At the October 5, 1982 hearing in Moose Jaw, concerning the Canadian National Central Butte Subdivision, the province again put forward a motion that was intended to defer decision resulting from the hearing process until such time as federal legislation had been passed concerning grain freight rates effecting railway revenues.

It was the province's concern that because of the doubt as to the future rates, an accurate assessment of a branch line could not be achieved. The Canadian Transport Commission ruled against the province's motion on October 13, 1982 consequently, the hearing and decision process continued.

Beginning in September, 1982 and ending in November, 1982 the Commission held hearings on eleven abandonment applications affecting 258.25 miles of Saskatchewan branch lines. As of March 31, 1983 five of these applications were pending a decision and a further two required additional hearings to be held in the next fiscal year. Throughout the April 1, 1982 to March 31, 1983 period the Canadian Transport Commission, Western Division issued seven decisions authorizing abandonment of 83.96 miles of line while ordering 24.6 miles retained. In addition, throughout this period the railway ceased operation of a total of 69.4 miles of branch line. See tables I through V for details.

Lines Abandoned in Saskatchewan Pursuant to Canadian Transport Commission order in period April 1, 1982 to March 31, 1983.

Subdivision	Miles	Point to Point	Date Abandoned
CP Asquith	17.0	Urban to Arelee	Aug. 31/82
CP Amulet	7.2	Crane Valley to Cardross	July 29/82
CP Melfort	18.3	Dent to Gronlid	July 31/82
CP Wishart	26.9	Foam Lake to Wishart	Dec. 31/82

Canadian Transport Commission decisions authorizing abandonments in period April 1, 1982 to March 31, 1983.

Subdivision	Miles	Point to Point	Date of Order	Effective Date of Abandonment
CN Acadia Valley	23.67	Eyre Jct. to Acadia Valley, Alberta	Sept. 28/82	Nov. 30/83
CN Amulet	7.2	Crane Valley to Cardross	June 29/82	July 29/82
CN Bodo	11.2	Cactus Lake to Bodo, Alberta	March 25/83	Dec. 31/83
CN Cudworth	16.89	St. Louis to Mileage 103.25	Dec. 23/82	Nov. 30/83
CP Furness	19.5	Epping to Paradise Valley, Alberta	Oct. 7/82	Aug. 31/85
CP Pennant	5.5	Hazlet to Verlo	Dec. 24/82	Aug. 31/84

Canadian Transport Commission hearings held, decision pending period April 1, 1982 to March 31, 1983.

Subdivision	Miles	Point to Point	Date of Hearing
CP Avonlea	21.46	Parry to Avonlea	Oct. 6/82
CP Central Butte	45.63	Moose Jaw Jct. to Mawer	Oct. 5/82
CP Fife Lake	17.7	Coronach to Big Beaver	Nov. 24/82
CN Preeceville	40.85	Preeceville to Kelvington	Nov. 18/82
CN Rhein	13.0	Ross Jct. to Hamton	Oct. 13/82

Canadian Transport Commission decisions authorizing retention in period April 1, 1982 to March 31, 1983.

Subdivision	Miles	Point to Point	Date of Order	Notes
CP Colony	24.6	Rockglen to Killdeer	Nov. 28/82	Order retained for five years subject to further review

Lines under review of Canadian Transport Commission as of March 31,1983.

Subdivision	Miles	Point to Point	Notes
CN Chelan	12.87	Reserve to Weekes	Hearing held October 14, 1982 not completed, scheduled to resume June 16, 1983
CN Erwood	49.15	Hudson Bay to Baden, Manitoba	Hearing held September 16, not completed, scheduled to resume April 21, 1983

B. **Air Service**

The Community Services Branch has continued to be involved in efforts to improve and expand air services to Saskatchewan residents.

Discussions are carried out on an on-going basis regarding service, timetables and frequency with officials of Air Canada, CP Air, Pacific Western Airlines, Norcanair and other carriers servicing the province.

Throughout the fiscal year 1982-83 there were a number of air related issues that involved the branch. The downturn in the economy had a major effect on the air industry in general and was noticeable with respect to some services provided in Saskatchewan.

(a) **CP Air**

On April 26 and June 7, 1982 CP Air inaugurated their transcontinental services to Regina and Saskatoon respectively providing direct services to both Vancouver and Toronto. Unfortunately, on January 20, 1983 CP Air announced that their new services would be temporarily suspended for economic reasons. Following this the Minister Responsible for the Transportation Agency of Saskatchewan wrote the President of CP Air to express the Province's deep disappointment with this decision. The agency as well, filed an intervention with the Air Transport Committee. CP Air has stated that they only suspended their operation and will be exploring ways of introducing service as economic conditions improve. The Community Services Branch will be working with officials of CP Air to ensure that service can be restored to Regina and Saskatoon at the earliest possible date.

(b) **Regina Airport Expansion**

On August 16, 1982 the Federal government announced that $35 million over four years would be spent on modernizing the Regina air terminal building and related ground and air side facilities. This followed years of lobbying by the Province, the City Council and the Regina Chamber of Commerce following the release of the Regina Airport Study in December, 1977. Construction on the facilities is expected in mid-1983 following the completion of the necessary ground side projects providing access to the terminal building.

(c) **Saskatoon Airport Development**

In October, 1982 the Transportation Agency was advised that Transport Canada was developing an Airport Master Plan for Saskatoon intended to identify a rational framework for airport development over the next twenty years. The agency will be involved in the development of the plan through representation on "Airport Planning Consultative Committee" along with other representatives of interested groups including the City of Saskatoon and the Saskatoon Board of Trade. It is expected the Master Plan will be completed by December, 1983.

(d) **Norcanair/High Line**

On March 3, 1983 it was announced that High Line Airways of Saskatoon had merged with Norcanair. For some time the owners of Norcanair had indicated an interest in selling the airline. The new company will be involved with extensive charters to the northern uranium mines in addition to scheduled air service provided within the province. It is anticipated that as a result of the merger, service within the province will be improved and expanded. The Community Services Branch will be monitoring developments in this area.

(e) **Perimeter Airlines**

In November, 1982 Perimeter Airlines, due to financial restraints, was forced to suspend their scheduled air service operation between Yorkton and Saskatoon. Service is, however, being maintained between Yorkton and Winnipeg, Manitoba. In January, 1983 the Honourable James Garner, Minister of Highways and Transportation, wrote the president of Perimeter Airlines, expressing disappointment with the loss of this service. Perimeter has indicated that service has only been suspended and plans to reinstate service when economic conditions improve. The Community Services Branch will be continuing to assess this situation and work with officials of Perimeter Airlines to ensure service can be restored at the earliest possible date.

(f) **Gabrielle Air Services**

In November, 1982 Gabrielle Air Services based in Swan River, Manitoba applied to the Air Transport Committee to provide scheduled air service linking Flin Flon, Manitoba with the Saskatchewan communities of Hudson Bay, Yorkton and Regina. Following discussions between officials of Gabrielle Air and the Honourable James Garner, Minister of Highways and Transportation, the Province filed an intervention in support of this new service. As of March 31, 1983 a decision on this matter is pending before the Air Transport Committee.

C. **Rail Passenger Services**

The Community Services Branch continued to be active in efforts to improve rail passenger services to Saskatchewan and Western Canada. The Transportation Agency of Saskatchewan provided support grants to Transport 2000 to assist in their efforts to lobby for improved rail passenger service and aided in their joint legal action with the City of Melville and the Town of Watrous against the Federal government over the November 15, 1981 rail passenger cutbacks.

The primary concern throughout this period was efforts to restore rail passenger service over the Canadian National main line between Winnipeg and Saskatoon. As of March 31, 1983, while VIA Rail has indicated that rail options are being considered, there has been no decision concerning restoration of service to the Saskatchewan communities of Yarbo, Melville, Ituna, Raymore and Watrous. The Community Services Branch will be continuing to pursue this important matter.

Rail Branch

1. Rail Relocation

In 1974, the Federal Government proclaimed an Act termed the Railway Relocation and Crossing Act (RRCA). This newly created Act enabled and assisted communities to relocate railway facilities where necessary to redevelop urban centres and enhance public safety.

(a) Regina Rail Relocation

The Federal Government committed substantial funds to the City for preparation of an application and to relocate the railway facilities outside the city periphery. One of the primary purposes of this project is to test the validity and intent of the Act. City and Provincial officials have had to interpret and establish directions and methodologies to carry forward the intent of the Railway Relocation and Crossing Act.

The branch committed additional technical staff to assist the City of Regina in its endeavour to relocate the railway facilities from the urban core.

A series of technical meetings was chaired by the Canadian Transport Commission and attended by both railways, branch staff representing the Province, and the City of Regina. Certain technical subjects such as track specifications, rail yard and line locations, and interests of each party were discussed in great detail.

The provincial members agreed to undertake the exercise of determining the increased operations and maintenance costs for each railway applicable to the additional track miles resulting from relocation. All of the above involvements will continue and increase in the next few years.

(b) Yorkton Rail Relocation

Canadian Pacific Consulting Services were retained by the city in the previous fiscal year to determine the final location and costs of relocating the Yorkton rail facilities from its urban core. The preliminary results of this study were released this year to the City. A detailed analysis of the study was performed by the Branch. A position paper of the City of Yorkton was prepared as a reuslt of this detailed analysis. Negotiations with Canadian Pacific Railways were commenced. Further technical advice will continue to be provided to the City of Yorkton by the Branch.

2. Abandoned Rights of Way

The Branch continued, jointly with the Departments of Agriculture and Rural Development to perform a major role in the development of the Federal/Provincial agreement to transfer to the province railway abandoned rights of way which had been gifted to the federal government by the railways. The Branch also developed policy options for local dispositions of these lands.

The Federal/Provincial agreement has been signed and progress made in negotiating agreements with the railways concerning transfer to the Province of abandoned railway lands not covered in the Federal/Provincial agreement.

Responsibility for finalizing the Railway/Province agreements and administration of the local disposition of railway lands transferred to provincial jurisdiction now rests with the Departments of Agriculture and Rural Development.

The Agency will continue, upon request, to provide advice on this issue.

3. Grain Handling and Transportation

(a) The Branch maintained a close interest in the debates and activities surrounding the passage of Bill C-155, "The Western Grain Transportation Act" through the House of Commons in relationship to the impact on the Province's economy and the several options available to transport and handle grain.

(b) Investigations are initiated by the Branch into the economics of the "Federal Branchline Rehabilitation Program" in view of the various options which offer potential savings and greater efficiency in moving prairie grain to export positions.

(c) Concurrently, the Branch is maintaining a close watch on the matter of a claim by Canadian Pacific Limited, before the Canadian Transport Commission concerning the matter of that railway's claim for ownership costs on assets provided by the Government of Canada under the Prairie Branchline Rehabilitaton Program. The Branch is also participating in the whole issue of railway costs being actively reviewed by concerned groups.

5. Freight Rates and Related Issues

(a) The Branch continued to assist Prairie Malt, a local industry, in its attempt to secure more equitable rates on its product into highly competitive world markets. The Canadian Transport Commission ruled in favour of Prairie Malt. The Canadian National Railways, however, is appealing the decision to a higher court.

(b) Information was provided to provincial and federal government officials on issues involving the impact of Federal Legislation on freight rates and public interest and other issues concerning reparations as a result of excessive rate levels, legislative changes and the impact of the United States "Staggers Act" regarding rail contract rates on international rail movements.

6. Transportation Grants

The Agency made grants to the Western Transportation Advisory Council (WESTAC) and Transport 2000 regarding the representation of regional interests in transportation.

7. Miscellaneous

Several briefs were prepared by this Branch for use in developing policies and positions of the province relating to railway transportation matters. This involvement was used in negotiations and discussions with federal agencies having jurisdiction on such matters.

The Branch also assisted the Transportation Policy Branch of the Department of Agriculture by monitoring developments at a hearing concerning Railway/Company negotiations relating to the Prince Rupert "Ridley Island" grain terminal.

POOR

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